

## **WP Schools prepare for state aid cuts**

Written by Wauneta Breeze  
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*Superintendent Sibley: Budget will become clearer in coming months*

**By Josh Sumner**

**The Wauneta Breeze**

The summer of 2011 is shaping up to be a hot one for school district officials in Nebraska, and it's not just the heat that's going to make them sweat.

Legislative Bill 235, which makes major reductions in the amount the state spends on school aid, has officially been adopted. The bill passed a final hurdle when it was signed by Gov. Dave Heinemann on April 26.

Wauneta-Palisade Superintendent Stan Sibley and his administrative team are already busy digesting the news. WP stands to lose \$321,389 from last year's state aid figure of \$493,628, for a reduction of about 65 percent.

"At this point in the budgeting process, I can't tell you exactly what the impact is going to be," said Sibley.

The situation may not be as dire as it initially appears, according to the superintendent. Sibley said he expects growing property valuations in the school district to help offset the reduction in state aid. To what point, however, remains to be seen.

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The WP School District has two options for filling the potential gap that valuation increases may fail to fulfill: A reduction in school programs and teachers, or an increase in the levy, which would generate more dollars from area property taxes.

“Of course no one likes to raise property taxes, and no one likes to have their property taxes raised,” said Sibley. “It could be a difficult situation.”

The levy for Wau-Pal residents in this current 2010-2011 budget year is 95.7 cents on the dollar, which is among the lowest in the area.

“Our levy is already about the lowest we can possibly make it and still operate legally in the state,” said Sibley. An increase in the levy would come at a vote of the school board.

The districts that are in the toughest position are those which are already at or near the state-imposed property tax levy cap, and have little valuation growth to depend on.

Several important dates stand out in the coming summer months which will bring the school district’s budgetary picture into focus. Property valuations are certified in mid-August, giving the district a better idea of the resources that are actually available. The current fiscal year ends on August 31, which will indicate how much the district underspent in its budget authority, and how much money will carry over into next year.

“The budget committee will be very busy during the last half of August,” said Sibley. Next year’s budgetary certification must be set by Sept. 20.

## **Growth limitations a concern**

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What might concern Sibley and the school district as much, if not more than, is the state aid cut's language in LB 235 that places growth restrictions on school districts over the next two years.

As read in LB 235, school districts will have a base limitation of zero percent in 2011-12, followed by a 1.5 percent limitation the following year.

It's not out of the ordinary for a school district's budget to grow by as much as 5 percent in a given year, said Sibley, in an effort to afford rising costs in fuel, food, energy and salaries.

"There are all these costs, which we as a school district have no say over, and they could go up by 10, 15, 20 percent," said Sibley.

Creating even more worry for the school district is the possibility that it is unable to reach an agreement for bargaining new contracts with its teachers. Should that happen, it would be the state's Commission of Industrial Relations which would arbitrate the negotiations.

"The teachers have the legal right to bargain, which we support," said Sibley, who voiced concern about the CIR's ability to set fair salaries. With bargaining set to begin in the coming weeks, Sibley said he is hopeful the two sides will strike a deal at the table without intervention from the CIR.

### **School improvement project 'necessary'**

With the finishing touches of the construction project at the Wauneta and Palisade Attendance Centers having wrapped up in recent months, Sibley, who was not employed by WP at the time of its planning, said he thought the improvements were necessary.

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“I certainly wouldn’t say I would have done anything different,” said Sibley. “The people there — Mr. Dahl and the school board members at the time — made a rational decision that the time was now to make these improvements. If they hadn’t done it, the improvements would still be necessary at some point, and we’d probably pay more for them in the future.”

Sibley said it is important for people to understand that the source from which the building projects were funded was earmarked solely for that purpose. Dollars were accumulated over many years in the Special Building Fund for one reason: Improving the infrastructure of the district. The fund couldn’t be used on salaries, maintenance, fuel, textbooks or other expenses, said Sibley.

“One of the biggest resources a community has is its schools,” said Sibley. “Those school buildings must be maintained, updated and modernized. They have to be able to serve generation after generation of students.

“These are fine buildings that we have, but they are showing their age. Letting our facilities deteriorate is never a good investment.”